GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3205
ANSWERED ON:22.03.2002
ARTIFICIAL DIAMOND AND SYNTHETIC STONE INDUSTRY
P.D. ELANGOVAN

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has any new project proposal and relaxation to boost the artificial diamond and synthetic stone industry in India, particularly in South India;

(b) if so, the details thereof;

(c) whether the Government have allocated more funds for the development of the artificial diamond and synthetic stone industry in the country;

(d) if so, the details thereof, for the last three years, year-wise, State-wise;

(e) whether despite being the largest producer of artificial diamonds and synthetic stones, our share in world export is very meagre;

(f) if so, the measures taken by the Government to enhance the export of artificial diamonds and synthetic stones from India; and

(g) the exports from India during the last three years in terms of quantity and value?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) No Sir.

(b) Does not arise.

(c) No Sir.

(d) Does not arise.

(e) While no specific figures for production of artificial diamonds and synthetic stone are available, it is understood that Taiwan and Korea are leading producers of Cubic zirconia (artificial diamonds) and Switzerland and China are leading producers of other synthetic stone. India is considered to be around 4th or 5th in the line of producing countries. Our exports of synthetic stones in the year 2000-2001 is valued at about US$ 1.63 million based on the information received from GJEPC which is low compared to world demand for such stones estimated at around US$ 400 millions by GJEPC.

(f) : With a view to give a boost to the synthetic stone industry an export friendly Exim policy has been announced with effect from 1.4.2001. A medium term export strategy for the period 2002-2007 has also been announced in January 2002. Need for forward integration of gemstone with jewellery has been identified. The need for the industry to adopt modern technology in cutting and polishing segments, need for certification etc. has also been identified. In addition, GJEPC undertakes promotional activities like holding of exhibitions within and outside the country, mounting of trade delegations, advertisement/publicity campaign etc. GJEPC also runs training institutes like jewellery products development centers in Jaipur, Delhi, Mumbai. With a view to give boost to synthetic stone industry, the concerned State Governments and the Union Territories have been requested to consider exempting the sale of synthetic gem stones from the levy of Sales Tax and other taxes like Octroi, as has been done in States of Tamil Nadu, Maharashtra and Gujarat.

(g) : Following are the export figures for the synthetic stone from India as reported by GJEPC :-

Year	Value in US$ million
1998-99	2.41
1999-2000	2.62
2000-01	1.63